

[English]

14.50 hrs.

**CALLING ATTENTION TO A MATTER OF URGENT
PUBLIC IMPORTANCE**

**Steep fall in the prices of natural rubber and other
cash crops in Kerala**

PROF. P.J. KURIEN (Mavelikara) : Sir, I call the attention of the Minister of Commerce to the following matter of urgent public importance and request that he may make a statement thereon :—

"Situation arising out of steep fall in the prices of natural rubber and other cash crops in Kerala and the steps taken by the Government in regard thereto."

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : Sir, with your permission, I lay on the Table of the House a statement regarding the prices of coffee and other commercial crops like rubber, tea, cardamom.

Sir, in reply to the Calling Attention Notice given by some Hon'ble Members of the House, I am making the following statement.

Urgent attention of the Government has been called to the alleged steep fall in the prices of natural rubber and other cash crops in Kerala, I am giving below the price data and other details in respect of natural rubber, coffee, tea and cardamom in Kerala to show that there has been no steep decline in prices. In the case of rubber, there has been levelling of price from the peak achieved in mid-1995. In the case of other three crops, there has been no decline.

Domestic prices of Natural Rubber had witnessed considerable fluctuations in 1994-95 and the trend continued in 1995-96 also. From Rs. 2851 per quintal (for RSS-4 Grade) in June, 1994 it climbed upto Rs. 6171 per quintal in June, 1995 which is the highest monthly average price ever reached. Thereafter, it came down to Rs. 4197 in September, 1995. Again it improved to Rs. 5500 in December, 1995. It has shown a downward trend thereafter and in March, 1996, the price was Rs. 5007. It further came down to Rs. 4350 per quintal on 19.2.97. Compared to February 1993 price, which was Rs. 2562/ quintal, the current price is Rs. 4300/ quintal as on 20.2.1997. Compared to February 1994 price the current price is Rs. 1707 higher per quintal. Hence it cannot be said that the current price is very low. On an examination of price levels during these months, it cannot be construed that there has been a crash in price. Average monthly price of RSS-4 Grade for the last three-four months indicates that at present the domestic prices are favourable when compared to international prices for Natural Rubber. The domestic and international prices of rubber in November, 1996 were ruling at Rs. 4897 and Rs. 4467 respectively. On 19th February,

1997, the domestic price of natural rubber was Rs. 4350 per quintal as against the international price of Rs. 4332 per quintal.

The price of Natural Rubber could not have stayed at the extraordinary high levels touched about one and a half years ago in the lean season because there has been perceptible slowing in demand from some sections of rubber based industry and this is reflected in the price of natural rubber as rubber is an industrial raw material.

The bench-mark price of rubber was last declared on 22nd February, 1994, when standard cost of production for RSS-4 and RSS-5 was put at Rs. 2490 and Rs. 2440 per quintal respectively. As a few years have elapsed after this calculation was done cost of production has undergone an increase. Even allowing for general increase in price levels, the present prices are higher than this benchmark price and therefore, not unremunerative to farmers. Besides, the recent decline in prices is partly due to seasonal arrivals of natural rubber.

As regards coffee, there has not been any price crash in recent months. In fact, the prices of coffee have gone up during the month. The monthly average domestic wholesale prices of Arabica and Robusta Coffee, which were ruling at Rs. 104 per kg. and Rs. 68 per kg. respectively during July, 1996, have gone upto Rs. 129 per kg. and Rs. 71 per kg. respectively during February, 1997.

The average domestic price of small cardamom during 1994-95, 1995-96 and 1996-97 (August-January) has been Rs. 254.45 per kg, Rs. 207.27 per kg and Rs. 410.02 per kg. respectively. The prices have shown an upward trend during 1996-97. The average domestic price of small cardamom in Kerala during the same period August, 1996-January, 1997 was Rs. 410.02 per kg. as against Rs. 184 per kg. during the period August, 1995-January, 1996.

The prices of cardamom are determined by supply and demand factors. Production of small cardamom has increased to 7000 MTs during the crop year 1994-95 due to various measures adopted for enhancing productivity, the fall in prices in the case of cardamom witnessed during 1995-96 were mainly on account of the increased production and reduced exports due to stiff competition faced from Guatemala in the overseas market. However, the situation has substantially improved during 1996-97.

In so far as tea is concerned, there is no crash in prices of tea produced in the State of Kerala. On the contrary, prices of tea at Cochin auctions which were depressed on account of conditions that prevailed in the international market have increased recently. Average prices of tea during 1994 at Cochin auctions were Rs. 34.39/kg. This increased to Rs. 41.86/kg. during 1995 and for the year 1996 average prices of tea at Cochin were Rs. 44.48/kg. During 1997, average prices of tea at Cochin Auctions have improved from Rs. 42.48/kg. in the first auction of the year to Rs. 47.93/kg. in February.

[Shri Bolla Bulli Ramaiah]

Sir, Government is keeping a close watch on the price situation and will do the needful in case it is required.

PROF. P.J. KURIEN: Sir, I have gone through the statement of the hon. Minister. But before that, I would like to thank the hon. Speaker and the Chair too for allowing this Calling Attention Motion on such an important subject which affects the large number of rubber growers as also the cash crop growers in the State of Kerala ... *(Interruptions)* Can I proceed, Sir?

MR. CHAIRMAN: I suppose, you are seeking clarification on the statement laid on the Table of the House by the hon. Minister.

PROF. P.J. KURIEN: Yes, Sir.

MR. CHAIRMAN: Please go ahead.

PROF. P.J. KURIEN: The statement made by the hon. Minister is certainly very much disappointing. We have drawn his attention to the fact that the price of natural rubber, cardamom and other cash crops has fallen steeply. We are asking him as to what steps he would like to take to mitigate the grievances of the growers, specially in regard to giving them remunerative price. But unfortunately, he has not taken cognizance of the situation. He has not narrated anything or mentioned anything at all in the statement as to what steps are being taken to ensure better price for the farmers. This is very much disappointing. This shows utter disregard to the problems of the growers in Kerala. I would say this rather much blatantly. It is most unfortunate. I wanted him to apply his mind to this problem and react.

SHRI T. GOVINDAN (Kasargoda): Why are you avoiding copra?

PROF. P.J. KURIEN: This question pertains to cash crops and copra is not a cash crop.

SHRI T. GOVINDAN: The support price for copra has recently been revised by the Government.

PROF. P.J. KURIEN: There are so many subjects. This question pertains to the cash crops and it comes under the Commerce Ministry. Copra is not a cash crop and it comes under the Agriculture Ministry. At least you must understand this much ... *(Interruptions)*

MR. CHAIRMAN: Mr. Kurien, you seek your clarification.

PROF. P.J. KURIEN: That is what I am doing. But I have to explain the situation because the Minister has either not understood it or if he has understood it is deliberately avoiding the fact. He should have taken some steps to give better and remunerative price to the farmers. Sir, there are nine lakhs of rubber growers and 95 per cent of them are in Kerala. Further, more than 90 per cent of them are small

farmers whose holdings may be up to one hectare or even below that. For all these rubber growers or for that matter, cardamom cultivators, this is their sole source of livelihood. And the price has fallen to the extent of 30 per cent. Last year, you yourself admitted that the price was higher. The price for one kilogram of rubber was about Rs. 55 to Rs. 60. Today it has come down to Rs. 40 to Rs. 42. Having admitted this fact, he simply says in the statement that the prevailing price today is better than the lowest price that existed some time back and, therefore, he takes satisfaction and finds justification for not taking any action.

This is very bad. Why don't you compare the current price with the highest prices? We have got the highest price, which is Rs. 60 per kilo. From Rs. 60, it has come down to Rs. 42. Instead of comparing that, you take the other side and you compare with the lowest ... *(Interruptions)*

That is not the way the Government should react in this situation. I am sorry to say that.

Sir, we went in for rubber cultivation after giving up remunerative pepper cultivation, areca nut cultivation etc., because that was a national need. The Government of India encouraged us and asked the people of Kerala to go in for rubber cultivation saying that the Government of India will take care of their rice needs and other needs because at that time, we were importing rubber. There was very huge drain of foreign exchange from our country. Therefore, as a foreign exchange substitute, to save the foreign exchange, we went in for rubber cultivation. For that patriotism, we should not be punished. That is what I want to say.

What has happened now? Prices have fallen from Rs. 60 a kilo to Rs. 40 a kilo. For the last three months, if you compute, the loss to the rubber growers in Kerala is to the tune of about Rs. 500 crore. Today, we in the country, produce rubber more than our requirement though once upon a time, we were importing rubber. The credit goes to the farmers of Kerala that today the country is self-sufficient and we are producing what we want.

Sir, here, what is this Government doing? They are allowing import of rubber. I crave your indulgence, I need your support also. In spite of the fact that we produce more, more than we require, you are allowing import. Why? To save whom? So, I would like to know, why do you allow import.

Secondly, import tariff is reduced. I would like to know, why do you do that?

Thirdly, when there is an excess of rubber produced in the country, we should export it. This year, our requirement is only 5.5 lakh tonnes of rubber. According to your own report, we have produced upto 6 lakh tonnes of rubber. So, there is a need for exporting about 50,000 tonnes of rubber. But nothing is being done.

MR. CHAIRMAN : I suggest that you please ask pointed questions or clarifications.

PROF. P.J. KURIEN : Sir, these are all pointed questions.

So, why don't you encourage export when there is excess production of rubber in this country ? Earlier whenever such crises were there, the Commerce Ministry used to ask the STC — to intervene in the market and procure the rubber. Why don't you do that now ? I am not asking that you should give Rs. 60 a kilo but you ask the STC to enter the market and buy the rubber at a price higher by Rupees five than the prevailing price in the market. That is what I am asking. Not only that, you can also ask the NDCD also. The NDCD come forward whenever there is crash in price for wheat or price fall for sugarcane. Why cannot they come forward for rubber also ?

Therefore, I would like to submit that you take up with the NDCD or other agencies like NAFED. Your Ministry can take up with all these agencies and ask them to go in for the purchase of rubber from the market. So far, nothing of these things have been done.

Further, Sir, we produce latex rubber. But unfortunately, no buyer for latex rubber. For the last six months, producers of latex rubber are not able to sell it and those who are able to sell it, they are not getting the prices ...*(Interruptions)*

MR. CHAIRMAN : I think, if you ask so many clarifications, it may lead to confusion.

PROF. P.J. KURIEN : Sir, in the Calling Attention, it is only one problem but there are various aspects which I have to highlight. This is the problem of nine lakh farmers. So, please allow me to submit. I will take only two minutes more.

The latex rubber is used by the small-scale industries to produce natural rubber foam. At the same time, there is a substitute which is called 'polyurethane'.

15.00 hrs.

That is being used by big manufacturers and big industries to produce synthetic foam. This Government is giving protection to the big industrialists to produce synthetic foam which competes with the natural rubber product, that is, natural rubber foam which is used by small scale industries. What is the justification for that ? Why do you have this very low import tariff of polyurethane and allow it to compete with the natural rubber foam ? Why do you not reduce the excise duty of natural rubber foam ? I would like to know therefore whether you are prepared to

protect the small scale industries which are using latex. I know your Ministry cannot reduce the tariff. Therefore, my pointed question is whether you will take up with the Industry and the Commerce Ministries the question of reducing the excise duty on the natural rubber foam or increasing the duty of the imported polyurethane, so that the natural rubber industry is protected and they will be able to buy latex from the poor growers.

I will sum up. My first question is, will you ban the import of rubber.

MR. CHAIRMAN : I think you have already asked that a number of times. Do not repeat it. He is a very capable Minister. He has heard your questions and he will be able to answer them.

PROF. P.J. KURIEN : Yes, Sir. Will you ban the import? Will you reduce the tariff duty ? Otherwise will you export the rubber ? Will you ask the STC to intervene in the market and procure rubber at a higher price than what is prevailing in the market ? Will you take up with the Finance Ministry the question of reducing the excise duty on the natural rubber foam ?

These are my pointed questions.

SHRI BOLLA BULLI RAMAIAH : Mr. Chairman, Sir, let other Members also put their questions and then I will give answer to all of them together.

MR. CHAIRMAN : If they want to put questions, they should put it now. Mr. Thomas, do you want to ask some clarificatory questions ?

SHRI P.C. THOMAS (Muvattupuzha) : I have also moved a notice for Calling Attention. My name is also there in the list.

MR. CHAIRMAN : That is why I called out your name. Please ask pointed questions only. Do not take up too much time.

SHRI P.C. THOMAS : I shall be very pointed in my questions. I would like to say that the rubber farmers, as has been already enunciated, are mainly in the very marginal and small sectors. The problem is, even if the price goes down today the farmer cannot keep his produce for another day and he has to sell it out. If the price crashes, say for example the price yesterday was Rs. 50 and today it is Rs. 30, the small and marginal farmers have no other go than to sell it at that price.

MR. CHAIRMAN : Is there any system of procurement by Government agencies ?

SHRI P.C. THOMAS : That is exactly what I am coming to, Sir. You have caught the right point in a very very short time. That is exactly what we would like to point out. Unless

[Shri P.C. Thomas]

the Government of India and the State Governments come forward, how can this be done? The answer given by the Government on the floor of Parliament is that out of 9.11 lakhs of people, 8.23 lakhs of people are in the small sector. So, you will have to save these 8.23 lakhs of people in the small sector who are responsible for bringing the production of rubber of the country up to almost fourth position in the world. Incidentally, productivity-wise we are number-one in the world. That means, it is the hard labour of these 8.23 lakhs of small and marginal farmers and the poor labourers who are working with them. This is not only controlling the economy of Kerala, it is going to control the economy of the whole nation because now we are planting rubber in eight States, including of course your State. I am not very sure of it. But northeast has already gone for that, Orissa, Goa and many other States, including Maharashtra, have gone for that.

MR. CHAIRMAN : Please confine yourself to the subject.

SHRI P.C. THOMAS : I would like to ask the hon. Minister whether the Government of India will come forward to procure rubber from the market, so that the price can be brought up.

Secondly, I would also like to ask whether if the Government of India could not purchase it, as such, then, can the Government of India think of some agencies? There are already some agencies like the Rubber Marketing Federation; then, the rubber producers have their own societies; then, the STC is there. These are the fora through which rubber could be purchased for which money is necessary. My second question is this. Will the Government accord some amount, sanction some amount for the purchase of rubber through these agencies? My suggestion is that Rs. 100 crore may be given. If Rs. 100 crore are given, the Government of India will get it back within two months. There would be no problem. The price will come up and the growers would not need this money. This money will go back to the Government's Treasury and the Government would not be at a loss at all. So, my second question is whether Rs. 100 crore could be given for this or not?

My third question is this. Since the Government of India has at last come forward with this statement, we would also like to ask whether the Government of Kerala has given any scheme to the Government of India to safeguard the interests of the farmers. The major chunk, say, 95 per cent of the farmers in the small sector are from that poor State. So, my question is this. Has the Government of Kerala given any proposal to the Government of India?

My last question on rubber is this ...*(Interruptions)*

SHRI N.K. PREMCHANDRAN (Quilon) : Sir, I have a very specific question to ask. There are two more Members who have given notice but they are not here.

MR. CHAIRMAN : The rule is very clear. Let us stick to the rule.

...*(Interruptions)*

SHRI P.C. THOMAS : My last question on rubber is this. Can the Government of India think of stopping completely the import and starting export of rubber? We are now producing rubber in excess. We are producing 5.85 lakh MT of rubber. This is the statistics given by the Rubber Board; but actually the farmers would say that they are producing much more than that.

MR. CHAIRMAN : The Minister knows what the production is.

SHRI P.C. THOMAS : I would like to know whether some export could be done by the Government or not. That is all about rubber.

Then, there is another item also — cardamom. That is also facing a very serious crisis. We are producing the best cardamom in the world. Our country, India, can be very proud of it. There is another country, Guatemala producing the stuff. Their stuff is very cheap. This is a very great problem which has already come to the notice of the Government of India. The Guatemala cardamom is being imported by Nepal. For that purpose, the cardamom goes through the Calcutta port. I would like to know whether the Government of India has got statistics on the import of Guatemala cardamom which is being done by Nepal; if so, whether that import has risen in a steep manner; and whether that cardamom which is being taken from Calcutta to Nepal by road or by air or by some other means of transport is being smuggled into our country and thereby our good cardamom is being contaminated with the low quality cardamom. It is going to affect our exports. It has already brought down our exports.

MR. CHAIRMAN : I think, that is sufficient.

SHRI P.C. THOMAS : My question is this. What action would the Government of India take to stop the smuggling of cardamom and to safeguard the interests of the cardamom growers. Thank you.

SHRI BOLLA BULLI RAMAIAH : Mr. Chairman Sir, on the question of these two items — one is rubber and the other is cardamom — hon. Members have raised very valid questions. It is a very important issue. I would like to bring to your notice that there is, what is called, 'peak prices' and there is also, what is called, 'reasonable prices'. There is a system by which we can always work out which is

reasonable for the farmers and it is also a very unusual type of situation when there is scarcity. In 1994, we have worked out what is called the ...*(Interruptions)*

MR. CHAIRMAN : May I request the Minister to restrict his reply to the specific question that Shri Kurien asked : 'Are you importing rubber when there is enough production in the country ? Is that a fact or not ? Are you doing anything for procurement ?' Please answer those questions.

SHRI BOLLA BULLI RAMAIAH : We are not importing any rubber in spite of the fact that many tyre industries asked for rubber imports. We are now allowing it but there is a small quantity of rubber imported which is called 'export oriented quota' which is available for import. Otherwise, we are not permitting any import of rubber. The year before last, we have imported a lot of rubber.

SHRI N.N. KRISHNADAS (Palghat) : How much are you importing now ?

SHRI BOLLA BULLI RAMAIAH : We are not importing any rubber.

SHRI N.N. KRISHNADAS : I am asking about the export figures.

SHRI BOLLA BULLI RAMAIAH : No, I have to get the data. The Ministry of Commerce has not given any permission for import of rubber in spite of the tyre industry's demand for the import of rubber. I told them not to give any permission unless and until we make it sure that there is shortage. Only in that case we are going to import rubber.

MR. CHAIRMAN : In short the reply is, we are not importing rubber.

SHRI BOLLA BULLI RAMAIAH : Yes, that is the first thing. The second thing is the bench mark price which was fixed in 1994 which is between Rs. 2,440 and Rs. 2,490. In the Planning Commission there is a formula for the last three years — $\text{Plus} \times 1.28$. Using that same formula it works out to Rs. 3,187.20 which should be a reasonable price for rubber today. But I am not going to stick to that.

SHRI P.C. THOMAS : This is an account given by you. We do not agree with you. This has not been declared. That has got no legal sanctity at all. We disagree with that.

SHRI BOLLA BULLI RAMAIAH : I am not taking that into consideration. I said that there must be some basis for it. But today the price is around Rs. 4,250. We also realise that we should support the farmers. In view of that, as has been suggested, we already started procurement of rubber through the cooperative department and already 370 tonnes have been purchased and we are going to intervene at the appropriate time along with this thing. We are constantly watching it.

MR. CHAIRMAN : Mr. Minister, may I intervene for a minute ?

SHRI BOLLA BULLI RAMAIAH : Yes.

MR. CHAIRMAN : You have said that the price per quintal is now Rs. 1,707 higher compared to 1994 prices.

SHRI BOLLA BULLI RAMAIAH : Yes.

MR. CHAIRMAN : Then, how are the Members saying that the prices have crashed ?

SHRI BOLLA BULLI RAMAIAH : It is because the peak price has gone upto Rs. 5560-6000. From that it has come down.

SHRI P.C. THOMAS : With your permission I would like to raise one question. What is the use of comparing today's price with the price that existed three or four years back ? The price of every item has gone up. Cost of production has gone up and the price of tyre which you and many others are buying has gone up steeply.

SHRI BOLLA BULLI RAMAIAH : I am just saying what is the reasonable price and what is the support price. In spite of that we are considering your request. Let me come to the other point ...*(Interruptions)*

MR. CHAIRMAN : Let him complete his reply.

SHRI BOLLA BULLI RAMAIAH : In spite of taking reasonable price and abnormal price into consideration, we thought, in the large interest of the farmers, we should intervene. Already we started purchasing about 370 tonnes. The Government of India along with the State Governments would like to make additional funds available to them ...*(Interruptions)*

PROF. P.J. KURIEN : Which agencies are buying on behalf of the Government ?

SHRI BOLLA BULLI RAMAIAH : The cooperative societies are buying.

PROF. P.J. KURIEN : Which cooperative societies ?

SHRI BOLLA BULLI RAMAIAH : Cooperative societies of Kerala because they are the people who have got the experience in the purchase of rubber. We are getting it through them. Rs. 36.61 crore have been utilised for the purchase of rubber. We also intervened and keeping a close watch over the market condition.

PROF. P.J. KURIEN : At what price they are buying ?

SHRI BOLLA BULLI RAMAIAH : I have no idea because they want to see that prices should not come down. That is why they have maintained it at Rs. 4,250-4,300. It is

[Shri Bolla Bulli Ramaiah]

because they do not want the prices to come down. They want to protect the rubber producing farmers of Kerala.

The hon. Member has asked a question about cardamom. I also have got some information about cardamom. The hon. Member has said that the prices of cardamom have fallen slightly as compared to the peak price ...*(Interruptions)*

PROF. P.J. KURIEN : What is the point in saying that 240 tonnes have been purchased ?

SHRI BOLLA BULLI RAMAIAH : We have started only recently.

PROF. P.J. KURIEN : Cooperative societies are primary societies for which the Government of India should not take the credit. Can your agency intervene in the market ? We can manage the cooperative societies. We do not need your assistance.

MR. CHAIRMAN : In short the question is : Will the Government intervene for the procurement of rubber ?

PROF. P.J. KURIEN : I was also Minister of Commerce for some time. STC is under your Ministry. If the Government wants to intervene, then you should ask the STC to go and purchase 'on no loss no profit' basis. Why do you not do that ?

SHRI BOLLA BULLI RAMAIAH : That is what I said.

PROF. P.J. KURIEN : We are managing the cooperative societies. You say about the STC.

MR. CHAIRMAN : Mr. Minister, will you consider the question of procurement of rubber by Government agencies?

SHRI BOLLA BULLI RAMAIAH : If necessary, the Government will come into the picture.

SHRI N.N. KRISHNADAS : That is very much necessary.

SHRI BOLLA BULLI RAMAIAH : We are keeping a close watch on that.

SHRI P.C. THOMAS : My question is : Will the Minister consider giving Rs. 100 crore for procurement ?

SHRI BOLLA BULLI RAMAIAH : I do not say that specifically.

MR. CHAIRMAN : He said that he would consider procurement. The question of allotting Rs. 100 crore will rise after that.

SHRI P.C. THOMAS : I would like to know whether the Government of Kerala has made any request with regard to this.

SHRI BOLLA BULLI RAMAIAH : No. We have not received any proposal. But we will have to be in touch with them and find out what is the requirement ...*(Interruptions)*

SHRI P.C. THOMAS : Has no proposal come from the Government of Kerala till now ? ...*(Interruptions)*

SHRI BOLLA BULLI RAMAIAH : Not yet ...*(Interruptions)*

SHRI P.C. THOMAS : Oh! It is terrifying ...*(Interruptions)* We are really ashamed to hear that ...*(Interruptions)* We are really ashamed. ...*(Interruptions)* Sir, nine lakh farmers are dying and the Government of Kerala is unconcerned about that. We are really ashamed ...*(Interruptions)*

SHRI N.N. KRISHNADAS : No. The Government of Kerala has sent their proposal to the Government of India ...*(Interruptions)*

MR. CHAIRMAN : Okay, Mr. Minister, please sit down.

...*(Interruptions)*

MR. CHAIRMAN : No. The Rule does not allow that. We have spent enough time on this.

...*(Interruptions)*

PROF. P.J. KURIEN : What about the import of polyurethane ? ...*(Interruptions)*

MR. CHAIRMAN : Let us maintain some discipline in the House please. Everybody shouting at the same time gives a very bad impression. Hon. Members asked pointed questions and the Minister is giving his reply. Kindly do not interrupt him.

The Rule about the Calling Attention is very very clear. It says :

"There shall be no debate on such statement at the time it is made but each Member in whose name the item stands in the list of business may, with the permission of the Speaker, ask a clarificatory question and the Minister shall reply at the end to all such questions."

Accordingly, the two Members who were present have asked questions; two other hon. Members were absent. Let the Minister give his reply. Mr. Minister, if there is any doubt in your mind, I would request you to say that you would give a reply in writing and send the details to them.

...*(Interruptions)*

SHRI BOLLA BULLI RAMAIAH : As far as the import of polyurethane is concerned, as the hon. Member has requested, I will be in touch with the Ministry of Finance because both the tariff and customs & excise are a part of that Ministry. I will take care of that.

The second thing is about cardamom about which also the hon. Member has asked. In the last two years, Nepal has imported about 48.28 tonnes and 33.9 tonnes of cardamom. This year they have imported about 3,000 tonnes. When this matter came to our notice, immediately our Ministry has alerted the Excise and Customs people. They have immediately taken action. Already they were able to seize about 27.89 tonnes. They are taking active part now. We will also definitely come into the picture and we will protect this industry. Thank you.

MR. CHAIRMAN : The apprehension of the hon. Members was that the low quality cardamom that was being imported by Nepal from Guatemala was being diverted to India to adulterate the Indian high quality cardamom. Can you give an assurance that you will take action to stop this ?

SHRI BOLLA BULLI RAMAIAH : The moment it has come to our notice, we have alerted our Excise and Customs people and they were on the job. They were also able to seize 27.89 tonnes. That means, they had immediately taken action on that ...*(Interruptions)*

MR. CHAIRMAN : It is good. Thank you.

...*(Interruptions)*

MR. CHAIRMAN : Mr. Kurien, I think, we have heard enough of this.

...*(Interruptions)*

PROF. P.J. KURIEN : Sir, that is the Press report. Nepal does not need 3,000 tonnes. They may need a few hundred tonnes and all the rest of it would be diverted to India by smuggling ...*(Interruptions)*

15.20 hrs.

BILL INTRODUCED

NATIONAL ENVIRONMENT APPELLATE AUTHORITY BILL*
[English]

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FORESTS (PROF. SAIFUDDIN SOZ): I beg to move for leave to introduce a Bill to provide for the establishment of a National Environment Appellate Authority to hear appeals with respect to restriction of areas in which any industries, operations or processes or class of industries, operations or processes shall not be carried out or shall be carried out subject to certain safeguards under the Environment (Protection) Act, 1986 and for matters connected therewith or incidental thereto.

MR. CHAIRMAN : The question is:

"That leave be granted to introduce a Bill to provide for the establishment of a National Environment

* Published in the Gazette of India, Extraordinary, Part-II, Section 2 dated 4.3.97.

Appellate Authority to hear appeals with respect to restriction of areas in which any industries, operations or processes or class of industries, operations or processes shall not be carried out or shall be carried out subject to certain safeguards under the Environment (Protection) Act, 1986 and for matters connected therewith or incidental thereto."

The motion was adopted.

PROF. SAIFUDDIN SOZ : I introduce** the Bill.

15.21 hrs.

NATIONAL ENVIRONMENT APPELLATE AUTHORITY ORDINANCE

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FORESTS (PROF. SAIFUDDIN SOZ): I beg to lay on the Table an explanatory statement (Hindi and English versions) showing reasons for immediate legislation by the National Environment Appellate Authority Ordinance, 1997

[Placed in Library. See No. LT. 1463/97]

15.22 hrs.

MATTERS UNDER RULE 377

(i) Need to Develop Kushinagar and Fazilnagar as Places of National Tourist Centre

[Translation]

LT. GEN. SHRI PRAKASH MANI TRIPATHI (Deoria) : Mr. Chairman, Sir, Padrauna and Deoria districts are places of vital tourism importance. Followers of Lord Buddha from all over the world visit Kushinagar as they feel reverence for this shrine. Only at a distance of 20 Km from Kushinagar, Pavanagar is located which is presently known as Fazil Nagar. It is the seat of Lord Mahavira. Two great religions of the world were originated from here. Both these places fall in my constituency. But the Department of Tourism has not undertaken development of this area.

Not only this area, but also the area in its vicinity has been the abode of great thinkers and philosophers of Hindu religion. Neither the Indian Railways, nor the Indian Airlines has taken any steps with a view to facilitate easy access to these places for the foreign tourists and to develop tourism here. The followers of Jainism in India would like to visit Pavanagar in large number but there is no air service or rail

** Introduced with the Recommendation of the President.